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# BULLETIN OF BUSINESS RESEARCH

*Edited by the Staff*

THE BUREAU OF BUSINESS RESEARCH

*College of Commerce and Administration, The Ohio State University*

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## Business and Industrial Outlook

The general results of the operations of the Reconstruction Finance Corporation and the amendments to the Federal Reserve Act have been about what was indicated in the summary of last month. The loans of the Reconstruction Finance Corporation have been principally to the banks and to the railroads. There was during February an easier tone in the money market, slightly lower rates of interest on the various classes of loans, a slight decline in the circulation, indicating a moderate decrease in the total of hoarded funds, and a decided rally in the bond market. The offerings during the month were mainly public utility bonds and the volume was not large. The continuous flow of gold from India to London, the payment by the Bank of England of its short-time loans advanced for the stabilization of the pound about a year ago, and a pronounced rally in the pound sterling were favorable developments in England somewhat similar in character to the improving financial situation in the United States. A very promising measure was introduced by Representative Steagall providing for the use of a part of the profits of the Federal Reserve system for the guarantee of the bank deposits of member banks. If a sound program could be developed for the guarantee of the deposits of member banks, it would cause a rapid return of hoarded funds to regular banking channels.

Notwithstanding these favorable developments, the loans and deposits of member banks continued to decline in February, although normally there is no change in these items in February as compared with January. It was reported, however, that there has been a cessation of liquidation in country banks. Some decline in the rediscounts of member banks was doubtless an outgrowth of the easier money conditions growing out of the loans of the Reconstruction Finance Corporation.

There was apparently little evidence of improvement in general business during the month of February. Bank debits in Ohio showed more than the normal decline and employment in Ohio showed no change from January although there is normally a 2 per cent improvement. Business activity in general continued the downward trend during February which has characterized the situation in preceding months.

The trend of wholesale prices during February was also downward, but there was an upward reaction during the second week in March. *The Annalist* figures for March 1 were the lows for the depression, farm and food products showing comparative weakness. The metals, building-materials, and chemicals have shown stability in prices for several weeks.

Building contracts awarded showed less than the normal improvement in February as compared with January. Residential construction showed an 11 per cent loss from January, although it usually shows a 16 per cent gain. The two types of construction to show more than the normal gain in February were industrial and public utility construction. The territories making the best showing in construction were Chicago, Central Northwest, and Texas, the February increases over January in each case being more than normal.

The prices of pig iron and scrap were slightly lower in February than in January, the price of steel being unchanged. Unfilled orders of the U. S. Steel showed a decline of 4 per cent from January, the usual decline being only 1 per cent. The February increase in the production of pig iron and steel was less than the normal improvement. There is still further delay in the anticipated orders for the production of the new Ford models. There may be some improvement from this source before the end of March.

On another page of this issue it will be found that the profits of 900 of the leading corporations in 1931 were 52.9 per cent below those of 1930 and that the return on capital and surplus averaged 3.3 per cent in 1931 in comparison with 7.1 per cent in 1930. From current indications it seems doubtful whether the profits of 1932 will exceed those of 1931.

The German elections indicate a continuation of caution in foreign diplomacy. The developments in the Far East suggest some modification in the beligerent attitude of the Japanese with some consequent improvement in the prospect for a peaceful solution of the disturbance in that area. It still seems doubtful, however, that the Chinese will accept the conditions of peace which the Japanese will regard as necessary to save their own face. This "saving face" matter seems rather abnormally important in Japan.

The foreign trade of the United States continues in a depressed condition with little signs of improvement. In fact, the tariff policies of European states have been adjusted during the past year with a view toward discouraging international trade and the developments in this country have been of a similar nature. There will probably develop in the near future some renewed interest in the old "reciprocity" doctrines, which received prominence some thirty years ago.

The February production of automobiles showed much less than a normal improvement over January, the whole industry being depressed to a certain extent by the delay in the Ford output. The 11 per cent increase in new car sales in Ohio shown in January as compared with February is about half of the normal increase in the period.

The stock market gains in the first half of February were followed by some reaction toward the end of the month. A renewal of the rally followed the setting up of the Reconstruction Finance Corporation. The secondary

rally was lost during the second week of March. The stock market will probably continue to move within a narrow range until there is further improvement in the bond market and more convincing signs of an improvement in business activity than have yet appeared. The present indications are that the spring improvement in industrial production and business activity will be rather less than normal.

It will take time for the period of liquidation to fully exhaust itself and price stability to develop even though there are signs that we may be near the bottom of the current down-trend in business activity.

*Spurgeon Bell, Director.*

# Business Conditions in Ohio and Ohio Cities

### Employment in Ohio

In view of the long continued decline in employment in Ohio, it is perhaps encouraging that there was no further decline in February. However, in view of the fact that during the past 5-year period February has averaged an increase of 2 per cent from January, it appears that February employment seasonally corrected registered a decline. The total volume of employment in the State in February was 13 per cent less than in February, 1931, and, for the first two months of 1932, averaged 13 per cent less than during the corresponding period of 1931. The relative stability in total employment in February, as compared with January, was caused primarily by the 1 per cent increase in manufacturing employment, since both non-manufacturing employment and construction employment, the other two components of the total, showed continued declines in February, the decline in the former amounting to 2 per cent, and in the latter, to 9 per cent. The 2 per cent decline in non-manufacturing employment in February from January was greater than the average February decline of only 1 per cent, and the 9 per cent decline in construction employment was in contrast with a 5-year average February increase of 2 per cent. Also the 1 per cent increase in manufacturing employment was less than the average February increase of 3 per cent. As compared with February, 1931, employment declined 13 per cent in the manufacturing industries, 9 per cent in the non-manufacturing industries, 45 per cent in the construction industry, and 13 per cent in all industries combined. In comparing February, 1932, with February, 1931, it should be remembered that there had been 18 consecutive months of employment decline in Ohio prior to February, 1931.

Although in the aggregate there was substantially no change in the index of total industrial employment in February from January, 378 of the 900 concerns reporting to the Bureau of Business Research reported employment increases, and 135, no change from the previous month, while 6 of the 11 major manufacturing groups—the lumber and lumber products, the rubber products, the metals, the stone, clay and glass products, the textiles, and the vehicles groups—reported an increase in employment, and 2 other groups—the chemicals and the food products—reported no

TABLE I

EMPLOYMENT IN OHIO INDUSTRIES
FEBRUARY, 1932

Average Month 1926 = 100
Source: Individual Reports of Cooperators

| Industry | Index Feb., 1932 | Ch'ge Feb., 1932 from Jan., 1932 | Aver. Ch'ge Feb., from Jan., 1927-1931 | Change Feb., 1932 from Feb., 1931 | Average Jan.-Feb., Change from 1931 |
|---|---|---|---|---|---|
| **Total Manufacturing (648)*** | 70 | + 1 | + 3 | —13 | —13 |
| CHEMICALS (19) | 86 | 0 | + 1 | — 6 | — 7 |
| FOOD PRODUCTS (49) | 103 | 0 | 0 | — 3 | — 4 |
| Bakery (9) | 109 | — 1 | + 1 | + 2 | + 3 |
| Miscellaneous (40) | 101 | + 1 | 0 | — 5 | — 6 |
| LUMBER PRODUCTS (28) | 60 | + 1 | + 1 | — 8 | —11 |
| Furniture (16) | 65 | 0 | 0 | — 1 | — 5 |
| Miscellaneous (12) | 57 | + 3 | + 1 | —13 | —16 |
| MACHINERY (110) | 73 | — 2 | + 2 | —20 | —18 |
| Electrical Machinery, Apparatus and Supplies (28) | 108 | 0 | + 3 | — 9 | — 6 |
| Machine Tools (17) | 49 | — 4 | + 2 | —32 | —30 |
| Material Handling and Power Machinery (17) | 50 | — 3 | + 3 | —39 | —37 |
| Special Purpose Machinery and Appliances (48) | 65 | — 4 | 0 | —21 | —20 |
| METAL PRODUCTS (153) | 61 | + 1 | + 3 | —17 | —16 |
| Foundry Products and Drop Forgings (40) | 59 | + 2 | + 5 | —20 | —19 |
| Pipe, Pumps, Valves, Plumbers' Supplies (18) | 54 | +10 | 0 | —25 | —30 |
| Screw Machine Products and Hardware (18) | 59 | + 4 | + 4 | — 8 | — 8 |
| Sheet Metal Work (20) | 74 | + 4 | + 1 | —19 | —22 |
| Steel Works and Rolling Mills (12) | 56 | — 4 | + 3 | —19 | —15 |
| Stoves and Furnaces (11) | 77 | + 3 | + 4 | — 5 | — 4 |
| Miscellaneous (34) | 70 | + 3 | + 3 | —10 | — 9 |
| PAPER & PRINTING (50) | 96 | — 1 | 0 | — 7 | — 7 |
| Paper, Including Stationery (9) | 96 | 0 | + 3 | — 9 | — 9 |
| Print. and Publishing (27) | 100 | — 1 | — 1 | — 6 | — 7 |
| Miscellaneous (14) | 85 | — 3 | + 1 | — 7 | — 7 |
| RUBBER PRODUCTS (23) | 65 | + 1 | 0 | — 4 | — 6 |
| Tires and Tubes (12) | 65 | + 1 | 0 | — 3 | — 4 |
| Miscellaneous (11) | 68 | — 1 | 0 | —21 | —23 |
| STONE, CLAY AND GLASS PRODUCTS (70) | 64 | + 6 | + 4 | —14 | —13 |
| Brick and Tile (28) | 39 | 0 | — 1 | —31 | —32 |
| Glass (14) | 133 | +11 | +10 | + 9 | +11 |
| Vitreous and Semi-Vitreous China and Pottery (13) | 47 | + 4 | + 3 | —30 | —26 |
| Miscellaneous (15) | 46 | 0 | + 6 | —25 | —23 |
| TEXTILES (46) | 90 | + 8 | + 3 | — 1 | — 2 |
| Men's Clothing (18) | 103 | + 6 | + 2 | + 2 | + 2 |
| Miscellaneous (28) | 81 | +10 | + 3 | — 2 | — 4 |
| VEHICLES (57) | 67 | + 3 | +10 | —20 | —22 |
| Autos and Parts (46) | 73 | + 4 | +10 | —17 | —20 |
| Cars, Steam and Street Railway (4) | 24 | — 5 | + 5 | —52 | —50 |
| Miscellaneous (7) | 46 | — 7 | +10 | —31 | —29 |
| MISCELLANEOUS MANUFACTURING (43) | 90 | — 3 | + 2 | —15 | — 6 |
| **Non-Manufacturing (88)** | 77 | — 2 | — 1 | — 9 | — 9 |
| SERVICE (47) | 102 | 0 | 0 | — 3 | — 4 |
| TRADE (Ret. & Whsle.) (27) | 78 | — 3 | — 2 | — 4 | — 4 |
| TRANSPORTATION AND PUB. UTILITIES (14) | 82 | — 2 | — 1 | —14 | —14 |
| **Construction (164)** | 29 | — 9 | + 2 | —45 | —40 |
| BRICK, STONE AND CEMENT WORK (9) | 17 | —19 | — 2 | —67 | —62 |
| GEN. CONTRACTING (99) | 21 | —16 | + 2 | —59 | —55 |
| PLUMBING AND STEAM FITTING (11) | 60 | — 3 | — 7 | —41 | —42 |
| STREET, ROAD AND SEWER WORK (24) | 41 | — 9 | + 4 | +61 | +63 |
| MISCELLANEOUS (21) | 72 | 0 | + 2 | —26 | —23 |
| **All Industries (900)** | 71 | 0 | + 2 | —13 | —13 |

* Figures in parenthesis indicate number of reporting firms.

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change from January. Only 3 of the major manufacturing groups—the machinery, the miscellaneous manufacturing, and the paper and printing—reported employment declines in February from January. The February increases from January amounted to 1 per cent in the lumber and metal products groups, 3 per cent in vehicles group, 6 per cent in the stone, clay and glass products group, and 8 per cent in the textiles group. In the lumber products group the February increase was no greater than the average February increase, and in 2 of the groups—the metal products and the vehicles groups—the February increase was less than the average February increase, so that the increases in all three of these groups in February indicated only seasonal stability in one instance and a seasonal decline in the other two. In only three major groups—the rubber products, stone, clay and glass products, and the textiles products—did the February increase from January represent a greater-than-seasonal increase. In the three major manufacturing groups reporting further declines in February from January, the declines were in contrast with either seasonal stability or a seasonal increase. Thus, the February gains in the manufacturing industries are limited to the gains in the textile products and the rubber products groups.

As compared with February, 1931, employment declines in the major manufacturing industries in the State ranged from 1 per cent in the textile products industry to 20 per cent in the machinery and vehicles industries, and amounted to 3 per cent in the food products industries, 4 per cent in the rubber products industry, 6 per cent in the chemical industries, 7 per cent in the paper and printing industries, 8 per cent in the lumber products industry, 14 per cent in the stone, clay and glass products industry, 15 per cent in the miscellaneous manufacturing industries, and 17 per cent in the metal products industry.

### Ohio Bank Debits

Bank debits in Ohio declined 25 per cent in February from January as compared with an average decline of 14 per cent in February during the past 5-year period and were 32 per cent less than in February, 1931. For the first two months of 1932, bank debits in Ohio were 36 per cent less than in the corresponding period of last year. Bank debits in the United States, outside of New York City, also declined more than seasonally in February, but the percentage decline in Ohio was slightly greater than that for the country as a whole. The total volume of bank debits in the United States, outside of New York City, was 27 per cent less in February of this year than in the same month of last year.

### Ohio Construction Contracts Awarded

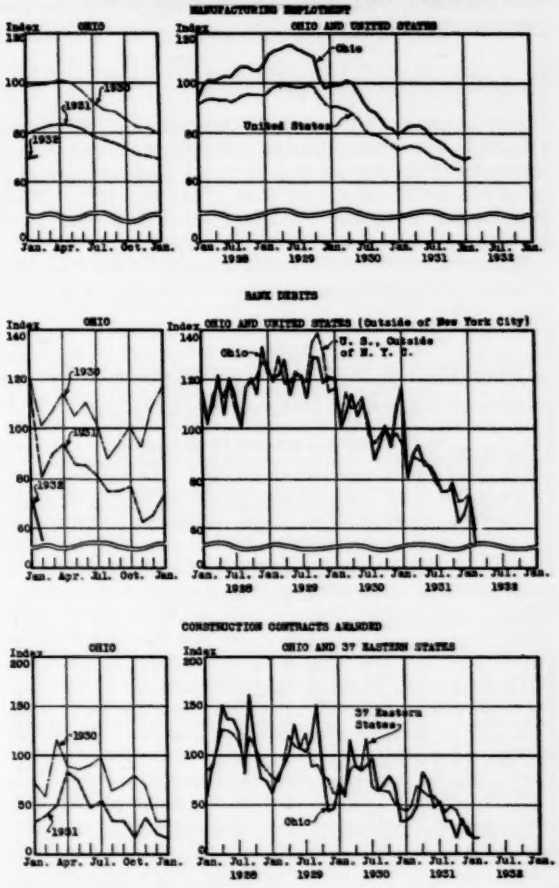
The contra-seasonal decline in January from December in the value of construction contracts awarded in Ohio emphasized again the low state of activity which has prevailed in the construction industry in Ohio since August. The January decline from December amounted to 18 per cent and was in contrast with a 5-year average January increase of 4 per cent. The total value of contracts awarded in January fell 50 per cent below the total for January, 1931. The decline in the value of contracts awarded was reflected in the continued decline in construction employment in February when the volume of construction employment was 9 per cent less than in January, although February during the past 5-year period averaged an increase of 2 per cent in this type of employment.

CHART I

BUSINESS CONDITIONS IN OHIO

In Each Series Average Month 1926 Equals 100

Sources: Bureau of Business Research, U. S. Department of Labor, Federal Reserve Board, and F. W. Dodge Corporation




### The Hotel Business in Ohio

The percentage of rooms occupied in Ohio hotels increased from 47.3 per cent of the available rooms in January to 48.3 per cent in February, an increase of 2.1 per cent for the month. As compared with February, 1931, however, the percentage of rooms occupied in February of this year declined 16.1 per cent. The average rate per room occupied in February at $2.75 was 2.5 per cent lower than in January, and the February rate was 11.3 per cent lower than in February of last year. In spite of the in-

TABLE II

INDICES OF BUSINESS IN OHIO HOTELS

Based on Average Daily Values, 1929 Equals 100
Source: Individual Reports

| Item | Jan., 1932 | Feb.,* 1932 | Change Feb. from Jan., 1932 | Change Feb., 1932 from Feb., 1931 | Average Jan.-Feb., Change from 1931 |
|---|---|---|---|---|---|
| | | | % | % | % |
| Per Cent of Rooms Occupied | 47.3 | 48.3 | + 2.1 | —16.1 | —15.7 |
| Ave. Rate Per Room | $2.82 | $2.75 | — 2.5 | —11.3 | —10.2 |
| | Index | Index | | | |
| Room Receipts | 61.3 | 61.2 | — 0.2 | —26.9 | —25.6 |
| Food Receipts | 52.4 | 51.9 | — 1.0 | —26.4 | —26.1 |

* Subject to revision.

crease in room occupancy, there was a small decline in February from January in room receipts, due to the lower price at which rooms were rented. Food receipts also declined slightly in February from January. As compared with February, 1931, room receipts declined 26.9 and food receipts, 26.4 per cent.

### Automobile Bill-of-Sale Registrations

New passenger automobile bill-of-sale registrations increased 11 per cent in Ohio in February as compared with an average February increase of 17 per cent, but decreased 38 per cent as compared with February, 1931. Truck registrations in February declined 8 per cent from January and 51 per cent from February, 1931.

While Chevrolet retained first position in new car sales in the 8 chief counties, its total sales in February declined 2 per cent from January as compared with a decline of 31 per cent in the sale of Fords and an increase of 53 per cent in the sales of all of the other cars combined. DeSoto jumped from ninth to third place in sales with the February total almost three times as large as the January figure. While Pontiac dropped from third to fourth place in February, it still accounted for the same percentage of total sales. All of the Chrysler group (Chrysler, DeSoto, Dodge, and Plymouth) showed increases over 1931, and all of them except Plymouth registered spectacular increases over January.

TABLE III

REGISTRATIONS OF NEW AUTOMOBILE BILLS OF SALE IN OHIO COUNTIES, FEBRUARY, 1932

(The Counties Listed Represent Over 80 Per Cent of the Population of Ohio)

Source: Clerks of Courts of Listed Counties

| County | Passenger Cars | | | Trucks | | |
|---|---|---|---|---|---|---|
| | No. | Change from Jan., 1932 | Change from Feb., 1931 | No. | Change from Jan., 1932 | Change from Feb., 1931 |
| | | % | % | | % | % |
| Adams | 13 | — 19 | — 35 | 1 | 0 | 0 |
| Allen | 47 | + 4 | — 46 | 12 | 0 | — 37 |
| Ashtabula | 38 | — 25 | — 63 | 2 | — 78 | — 80 |
| Athens | 20 | + 5 | — 43 | 6 | 0 | + 20 |
| Belmont | 44 | — 29 | — 39 | 5 | — 38 | — 82 |
| Brown | 11 | + 22 | — 8 | 4 | +100 | +100 |
| Butler | 81 | + 17 | — 43 | 10 | + 11 | 0 |
| Carroll | 4 | — 43 | — 60 | 1 | — 67 | 0 |
| Champaign | 12 | — 25 | — 65 | 3 | — 40 | — 25 |
| Columbiana | 35 | — | — 62 | 3 | — | — 73 |
| Cuyahoga | 1,145 | + 23 | — 36 | 132 | + 9 | — 25 |
| Defiance | 10 | — 41 | — 52 | 4 | + 33 | +100 |
| Fairfield | 36 | + 16 | + 20 | 3 | — 25 | — 25 |
| Fayette | 5 | — 50 | — 67 | 1 | 0 | 0 |
| Franklin | 468 | + 30 | — 12 | 35 | + 40 | — 45 |
| Fulton | 9 | — 55 | — 71 | — | — | — |
| Gallia | 12 | — 8 | — 56 | 1 | — 50 | — 67 |
| Geauga | 12 | + 50 | + 9 | 0 | —100 | —100 |
| Guernsey | 15 | — 29 | — | 2 | — 50 | — |
| Hamilton | 707 | + 44 | — 27 | 115 | — 13 | — 69 |
| Hancock | 30 | — 14 | — 25 | 9 | +200 | + 50 |
| Henry | 13 | — 24 | — 72 | 2 | — 60 | +100 |
| Highland | 11 | — 45 | — 48 | 2 | — 50 | 0 |
| Hocking | 7 | + 40 | — 13 | 0 | —100 | — |
| Huron | 37 | — 5 | + 37 | 4 | — 50 | + 33 |
| Jackson | 18 | + 20 | + 29 | 0 | —100 | —100 |
| Jefferson | 66 | + 53 | — 27 | 5 | — 44 | — 44 |
| Knox | 10 | — | — 78 | 2 | — | — 33 |
| Lake | 10 | — 50 | — 82 | 6 | + 50 | — 25 |
| Lawrence | 22 | + 29 | + 38 | 3 | — 25 | — 25 |
| Licking | 40 | + 29 | — 32 | 11 | +120 | + 10 |
| Logan | 10 | — 52 | — | 2 | 0 | — |
| Lorain | 75 | — 7 | — 55 | 9 | 0 | — 57 |
| Lucas | 236 | + 10 | — 50 | 22 | + 47 | — 65 |
| Madison | 21 | + 11 | — | 2 | — 60 | — |
| Mahoning | 118 | + 24 | — 38 | 10 | + 25 | — 66 |
| Marion | 29 | — 15 | — | 9 | +125 | — |
| Medina | 15 | — 29 | — 69 | 2 | — 80 | — 86 |
| Meigs | 24 | +140 | + 9 | 2 | — 50 | — 71 |
| Miami | 50 | + 22 | — 32 | 6 | 0 | — 40 |
| Montgomery | 198 | — 22 | — 52 | 29 | + 12 | — 42 |
| Morgan | 4 | + 33 | — 60 | — | — | — |
| Morrow | 5 | + 67 | + 67 | 0 | —100 | —100 |
| Muskingum | 42 | + 5 | — 51 | 6 | — 14 | + 50 |
| Ottawa | 14 | — 18 | — 66 | 3 | 0 | — 25 |
| Paulding | 8 | — 33 | — 43 | 3 | +200 | +200 |
| Perry | 15 | + 36 | — 68 | — | — | — |
| Portage | 20 | — 73 | — | 6 | — 70 | — |
| Ross | 25 | — 36 | — 31 | 4 | 0 | — 33 |
| Scioto | 36 | + 24 | — 36 | 4 | — 43 | — 64 |
| Seneca | 17 | — 39 | — 55 | 3 | 0 | — 50 |
| Shelby | 15 | 0 | — | 4 | — | — |
| Stark | 123 | + 29 | — 49 | 13 | — | — |
| Summit | 201 | 0 | — 35 | 22 | — 31 | — |
| Trumbull | 42 | — 22 | — 59 | 6 | — 25 | — 57 |
| Union | 13 | + 8 | — 35 | 3 | — 50 | +200 |
| Van Wert | 15 | + 50 | — | 2 | +100 | — |
| Warren | 19 | + 46 | — 49 | 0 | —100 | —100 |
| Washington | 43 | + 8 | 0 | 3 | — 25 | — 25 |
| Williams | 27 | + 4 | — 48 | 3 | + 50 | 0 |
| Wood | 26 | — 28 | — | — | — | — |
| Wyandot | 8 | — 80 | — 81 | 0 | —100 | —100 |
| Actual Total | 4,477 | + 11 | — 38 | 568 | — 8 | — 51 |

TABLE IV

TOTAL BILL OF SALE REGISTRATIONS OF FIFTEEN LEADING MAKES OF NEW PASSENGER AUTOMOBILES IN EIGHT OHIO COUNTIES*

Source: Actual Registrations Secured from National Automobile Dealers' Association

| Make of Car | Feb., 1932 Per Cent of Total | Number of Cars | | Change Feb., 1932 from Jan., 1932 | Change Feb., 1932 from Feb., 1931 | Total Jan.-Feb., 1932 Change from 1931 |
|---|---|---|---|---|---|---|
| | | Jan., 1932 | Feb., 1932 | | | |
| Chevrolet | 27.9 | 907 | 893 | — 2 | — 24 | — 15 |
| Ford | 8.8 | 407 | 280 | — 31 | — 80 | — 73 |
| De Soto | 7.0 | 76 | 223 | +193 | +145 | + 93 |
| Pontiac-Oakland | 6.1 | 161 | 195 | + 21 | — 25 | — 22 |
| Chrysler | 5.4 | 34 | 172 | +406 | + 76 | + 23 |
| Plymouth | 5.3 | 151 | 170 | + 13 | +193 | +143 |
| Studebaker | 4.4 | 59 | 142 | +141 | + 30 | — 4 |
| Essex | 4.0 | 118 | 129 | + 9 | — 16 | — 11 |
| Dodge | 3.9 | 78 | 125 | + 60 | + 5 | + 7 |
| Buick | 3.7 | 127 | 117 | — 8 | — 34 | — 15 |
| Willys | 3.6 | 77 | 116 | + 51 | — 60 | — 47 |
| Oldsmobile | 3.6 | 73 | 115 | + 58 | — 47 | — 44 |
| Nash | 2.5 | 43 | 79 | + 84 | — 15 | — 25 |
| Hupmobile | 1.8 | 27 | 58 | +115 | — 21 | — 35 |
| Cadillac | 1.7 | 17 | 54 | +218 | +135 | + 20 |
| Group Total | 89.7 | 2,355 | 2,868 | + 22 | — | — |
| All Others | 10.3 | 284 | 328 | + 15 | — | — |
| Grand Total | 100.0 | 2,639 | 3,196 | + 21 | — 35 | — 34 |

* Cuyahoga, Franklin, Hamilton, Lucas, Mahoning, Montgomery, Stark and Summit.

### Agricultural Income in Ohio

The gross cash agricultural income from six important sources in Ohio declined 14 per cent in February from January, and 19 per cent from February, 1931. The decline in February from the previous month was slightly less than the 5-year average February decline. Income from all the six major groups, except the potatoes and tobacco groups, receded in February. Income from the potatoes group remained substantially the same as in January while income in the tobacco group increased 56 per cent. In the other major groups the February declines ranged from 9 per cent in the dairy products group to 31 per cent in the grains group, and amounted to 18 per cent in the poultry

TABLE V

GROSS CASH AGRICULTURAL INCOME IN OHIO, FEBRUARY, 1932

(Average of the 60 Months 1924-28 Equals 100)

Source: Department of Rural Economics Ohio Agricultural Experiment Station

| Commodity | Index* Feb., 1932 | Change Feb., 1932 from Jan., 1932 | Average Ch'ge Feb. from Jan., 1927-31 | Change Feb., 1932 from Feb., 1931 | Average Jan.-Feb., 1932 Ch'ge from 1931 |
|---|---|---|---|---|---|
| Meat Animals | 38 | —24 | —27 | —33 | —35 |
| Dairy Products | 52 | — 9 | — 5 | —19 | —19 |
| Grains | 27 | —31 | —14 | + 4 | + 2 |
| Poultry and Eggs | 49 | —18 | —10 | — 9 | —12 |
| Potatoes | 17 | 0 | — 1 | —26 | —28 |
| Wool | — | — | — | — | — |
| Tobacco | 226 | +56 | +30 | + 7 | —42 |
| TOTAL | 43 | —14 | —15 | —19 | —26 |

* Preliminary estimate and subject to later revision.

and eggs group and 14 per cent in all the groups. As compared with February, 1931, the gross cash agricultural income increased 4 per cent in the grains group and 7 per cent in the tobacco group, but declined 9 per cent in the poultry and eggs group, 19 per cent in the dairy products group, 26 per cent in the potatoes group, and 33 per cent in the meat animals group. For the first two months of 1932, as compared with the same period of last year, there was an increase of 2 per cent in the gross cash income from grains in Ohio but a decrease from all the other major sources.

### Industrial Consumption of Electric Power

The 3 per cent increase in January from December in the industrial consumption of electric power in the State was slightly less than the average January increase of 4 per cent during the past 5-year period, and the total volume of power consumed in January was 1 per cent less than in the same month of last year. In Akron, Dayton, and Toledo, power consumption increased more than seasonally in January from December, the increases in Akron and Dayton being in sharp contrast with declines for this month during the past 5-year period. As compared with January, 1931, power consumption increased 2 per cent in Akron, 3 per cent in Toledo, and 27 per cent in Dayton.

TABLE VI

INDUSTRIAL CONSUMPTION OF ELECTRIC POWER IN OHIO

Average Months 1926 Equals 100
Source: Local Power Companies

| City | Index Jan., 1932 | Change Jan., 1932 from Dec., 1931 | Average Change Jan. from Dec., 1927-1931 | Change Jan., 1932 from Jan., 1931 |
|---|---|---|---|---|
| | | % | % | % |
| Akron | 51 | + 4 | — 1 | + 2 |
| Dayton | 124 | + 6 | —12 | +27 |
| Toledo | 126 | +12 | +10 | + 3 |
| STATE* | 122 | + 3 | + 4 | — 1 |

* Total power production from U. S. Geological Survey.

### Building Vacancies in Six Ohio Cities

Building vacancies, as indicated by the percentage of idle gas meters, remained unchanged in January from December in Cincinnati, increased in Canton, Cleveland, and Youngstown, but decreased in Akron and Columbus. The declines in Akron and Columbus were greater than the average January declines during the past 5-year period, indicating seasonal improvement. The increases in Canton and Cleveland were contra-seasonal in nature, and the increase in Youngstown substantially greater than the 5-year average January increase. As compared with January, 1931, building vacancies declined 7 per cent in Akron, and 4 per cent in Columbus, but increased 11 per cent in Cincinnati, 17 per cent in Cleveland, 19 per cent in Youngstown, and 91 per cent in Canton.

TABLE VII

BUILDING VACANCY IN SIX OHIO CITIES

(As indicated by percentage of gas meters vacant)
Average Month 1926 Equals 100
Source: Local Gas Companies

| City | Index Jan., 1932 | Change Jan., 1932 from Dec., 1931 | Average Change Jan. from Dec., 1927-1931 | Change Jan., 1932 from Jan., 1931 |
|---|---|---|---|---|
| | | % | % | % |
| Akron | 59 | — 7 | — 6 | — 7 |
| Canton | 250 | + 9 | — 1 | +91 |
| Cincinnati* | 102 | 0 | — | +11 |
| Cleveland | 32 | + 9 | 0 | +17 |
| Columbus | 140 | — 1 | 0 | — 4 |
| Youngstown | 35 | +18 | + 6 | +19 |

* Average month 1931 = 100.

### Summary of Business Conditions in Ohio Cities

Employment increased in February from January in all but 3 of the 8 chief cities of the State. The February increases ranged from 1 per cent in Akron to 4 per cent in Toledo, and amounted to 2 per cent in Canton, Columbus and Dayton. In all the cities reporting an increase except Dayton and Toledo the increase was greater than the average February increase or in contrast with an average February decline. In Columbus, the 2 per cent increase was no greater than the average February increase, indicating no more than seasonal improvement in this city. Although Cincinnati reported no further decline from January in employment in February, there was actually a seasonal decline, since February during the past 5-year period has averaged a gain of 1 per cent. In both Cleveland and Youngstown, the February decline from January was in contrast with an average January increase of 2 per cent. As compared with February, 1931, total industrial employment declined in all the chief cities of the State, the declines ranging from 3 per cent in Dayton to 32 per cent in Canton, and amounting to 6 per cent in Akron, 13 per cent in Cincinnati and Cleveland, 14 per cent in Toledo, and 28 per cent in Youngstown.

Manufacturing employment in February increased in all the chief cities of the state except Cleveland and Youngstown, the former having shown no change from January, the latter a contra-seasonal decline of 8 per cent. In the other cities the increases ranged from 1 per cent in Akron and Cincinnati to 4 per cent in Toledo, and amounted to 2 per cent in Dayton, 3 per cent in Canton, and 5 per cent in Columbus. In only Canton and Columbus, however, was the February increase greater than the 5-year average February increase.

Construction employment continued to decline in all the chief cities of the State in February, the declines in January ranging from 1 per cent in Dayton to 45 per cent in Akron, and amounting to 7 per cent in Youngstown, 9 per cent in Toledo and Columbus, 11 per cent in Cincinnati, 12 per cent in Cleveland, and 15 per cent in Canton. In all the cities the February decline was either greater than the average February decline during the past 5-year period or in contrast with an average February increase.

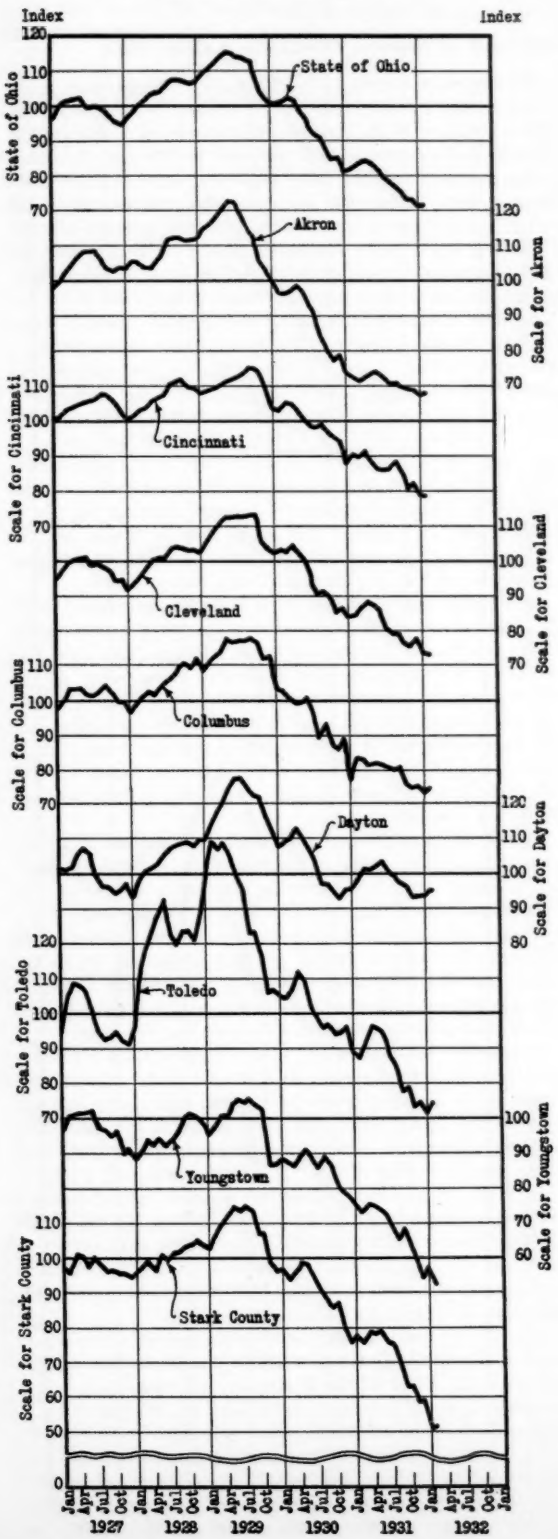
Passenger automobile bill-of-sale registration increased in February from January in 6 of the chief cities of the State, while 1 city showed no change, and 1 city and the rest of the State registered declines from January. The seasonal change of February from January in 1932 was more favorable in 4 of the cities than the average experience of the past 5 years. However, declines from February, 1931, were registered in all of the areas. In the State the rise from January amounted to 11 per cent, which is less than the 17 per cent average seasonal rise for this period, and the decline of the February, 1932, total from last year amounted to 38 per cent.

The 25 per cent decline in February from January in bank debits in the State as a whole was participated in by all the chief cities of the State, the declines in the cities ranging from 6 per cent in Toledo to 36 per cent in Youngstown, and amounting to 7 per cent in Canton, 14 per cent in Cincinnati, 16 per cent in Dayton, 22 per cent in Columbus, 26 per cent in Akron, and 35 per cent in Cleveland. The decline in Dayton was no greater than the 5-year average February decline; and the declines in Can-

CHART II

INDUSTRIAL EMPLOYMENT IN OHIO AND OHIO CITIES

Average Month 1926 Equals 100




ton, Cincinnati and Toledo were slightly less than the average February decline, indicating a slight increase seasonally corrected in these cities. The declines in the other cities, however, were substantially greater than the average February decline during the past 5-year period.

The value of construction contracts awarded declined 18 per cent in the State in January from December as compared with the 5-year average January increase. In spite of the decline in the State, 4 of the 8 chief cities of the State reported increases in the value of contracts awarded in January from December. The increases in Akron, Cincinnati, Columbus and Youngstown, the 4 cities to show an increase in the value of construction contracts awarded in January, were substantially greater than the 5-year average January increases. In Cleveland and Toledo the January decline from December in the value of contracts awarded was either in excess of the average January decline or in contrast with an average January increase. As compared with January, 1931, the value of contracts awarded declined in all the chief cities of the State except Youngstown, where an increase of 51 per cent occurred. The declines in the other chief cities ranged from 12 per cent in Cincinnati to 100 per cent in Canton, and amounted to 25 per cent in Columbus, 34 per cent in Dayton, 60 per cent in Akron, 62 per cent in Cleveland, and 84 per cent in Toledo.

TABLE VIII

SUMMARY OF BUSINESS CONDITIONS IN OHIO CITIES

FEBRUARY, 1932

| City | Change Feb., 1932 from Jan., 1932 | Average Change Feb., from Jan., 1927-31 | Change Feb., 1932 from Feb., 1931 | Change Feb., 1932 from Jan., 1932 | Average Change Feb., from Jan., 1927-31 | Change Feb., 1932 from Jan., 1931 |
|---|---|---|---|---|---|---|
| | INDUSTRIAL EMPLOYMENT | | | MANUFACTURING EMPLOYMENT | | |
| | % | % | % | % | % | % |
| Akron | + 1 | 0 | — 6 | + 1 | + 1 | — 6 |
| Canton | + 2 | — 1 | —32 | + 3 | 0 | — 33 |
| Cincinnati | 0 | + 1 | —13 | + 1 | + 1 | — 15 |
| Cleveland | — 1 | + 2 | —13 | 0 | + 3 | — 13 |
| Columbus | + 2 | + 2 | —10 | + 5 | + 4 | — 12 |
| Dayton | + 2 | + 4 | — 3 | + 2 | + 6 | 0 |
| Toledo | + 4 | + 6 | —14 | + 4 | + 8 | — 14 |
| Youngstown | — 8 | + 2 | —28 | — 8 | + 2 | — 27 |
| Other than 8 Cities | + 1 | + 3 | —16 | + 1 | + 4 | — 16 |
| STATE | 0 | + 2 | —13 | + 1 | + 3 | — 13 |
| City | CONSTRUCTION EMPLOYMENT | | | PASSENGER AUTOMOBILE BILLS-OF-SALE FILED | | |
| Akron | —45 | — 5 | —67 | 0 | — 15 | — 35 |
| Canton | —15 | —13 | —65 | + 29 | + 23 | — 49 |
| Cincinnati | —11 | + 2 | —47 | + 44 | + 9 | — 27 |
| Cleveland | —12 | + 3 | —63 | + 23 | + 42 | — 36 |
| Columbus | — 9 | + 7 | —24 | + 30 | — 1 | — 12 |
| Dayton | — 1 | 0 | —47 | — 22 | — 4 | — 52 |
| Toledo | — 9 | — 2 | —55 | + 10 | + 32 | — 50 |
| Youngstown | — 7 | — 4 | —66 | + 24 | + 18 | — 38 |
| Other than 8 Cities | — 3 | + 1 | + 1 | — 9 | + 15 | — 46 |
| STATE | — 9 | + 2 | —45 | + 11 | + 17 | — 38 |
| City | BANK DEBITS | | | VALUE OF CONSTRUCTION CONTRACTS AWARDED* | | |
| | | | | ** | ** | *** |
| Akron | —26 | — 5 | —36 | +141 | + 19 | — 60 |
| Canton | — 7 | —13 | —44 | 0 | — | —100 |
| Cincinnati | —14 | —15 | —20 | +115 | + 33 | — 12 |
| Cleveland | —35 | —14 | —34 | — 25 | + 59 | — 62 |
| Columbus | —22 | —14 | —36 | +365 | + 24 | — 25 |
| Dayton | —16 | —16 | —37 | — 45 | — 59 | — 34 |
| Toledo | — 6 | —17 | —41 | — 54 | + 35 | — 84 |
| Youngstown | —36 | —16 | —47 | +948 | + 16 | + 51 |
| Other than 8 Cities | —12 | —14 | —29 | — 51 | — 21 | — 54 |
| STATE | —25 | —14 | —32 | — 18 | + 4 | — 50 |

* From F. W. Dodge Corporation.
** Change January, 1932, from December, 1931.
*** Change January, 1932, from January, 1931.

# The Trend of Business

## Banking and Credit Conditions

Among the important events of the month bearing on the money and credit situation were: A slight easing of money rates, a decline in the volume of currency in circulation suggesting reduced hoarding, reduction of the New York Federal Reserve Bank rediscount rate from 3.5 per cent to 3 per cent, a decrease in gold exports, and further liquidation of member bank credit.

Open market interest rates, seasonally adjusted, averaged slightly lower in February than in January and toward the end of February the New York Federal Reserve Bank reduced its rediscount rate from 3.5 per cent to 3 per cent. On March 5 call money rate at 2.5 per cent remained practically unchanged from the corresponding date of the previous month. The commercial paper rate at 3.75 per cent was likewise substantially the same as at this time last month. The time money rate, however, at 3.63 per cent represented an increase of 12 per cent from the corresponding date of February. In view of the fact that some increase in the call money and the commercial paper rate usually occurs in February, the unchanged rates as of March 5 indicate seasonal easing of the rates. On March 5, the rates on all maturities were materially higher than on the corresponding date of last year.

TABLE IX

BANKING CONDITIONS

(All Dollar Values in Millions of Dollars)

Sources: Federal Reserve Board and Journal of Commerce

| Item | Latest Data | Change from Corresponding Period of Previous Month | Av. Change from Corresponding Period of Previous Month, 1927-31 | Change from Corresponding Period of Previous Year | Year to Date Change from Corresponding Period of Previous Year |
|---|---|---|---|---|---|
| INDEX OF BANK DEBITS*, February, 1932: | | % | % | % | % |
| Ohio | 55 | — 25 | — 14 | — 32 | — 36 |
| United States outside of New York City | 60 | — 19 | — 9 | — 27 | — 24 |
| New York City | 53 | — 17 | — 7 | — 33 | — 28 |
| INTEREST RATES: March 5, 1932: | | | | | |
| Call Money | 2.50% | 0 | + 9 | + 25 | + 55 |
| Commercial Paper (60-90 days) | 3.75% | 0 | + 2 | + 43 | + 38 |
| Time Money (4-6 months) | 3.63% | + 12 | + 2 | + 61 | + 54 |
| New York Federal Reserve Rediscount Rate | 3.00% | — 14 | 0 | + 50 | + 67 |
| FEDERAL RESERVE BANK ITEMS—March 2, 1932: | | | | | |
| Investment in U. S. Securities | $760.0 | + 1 | 0 | + 27 | + 22 |
| Bills Bought in Open Market | 115.6 | — 26 | — 10 | + 15 | + 16 |
| Member Banks Rediscounts | 828.4 | — 3 | 0 | +335 | +254 |
| Reserve Ratio | 68.1% | + 1 | + 1 | — 19 | — 18 |
| LOANS TO BROKERS March 2, 1932: | | | | | |
| (New York City) | $ 495 | — 2 | + 3 | — 72 | — 71 |
| REPORTING MEMBER BANK ITEMS—March 2, 1932: | | | | | |
| Loans on Securities | 5,440 | — 2 | 0 | — 25 | — 25 |
| Loans, All Others | 7,148 | — 1 | 0 | — 13 | — 13 |
| Investments, U. S. Govt. Securities | 3,742 | — 5 | + 1 | + 9 | + 19 |
| Investments, All Others | 3,193 | — 1 | + 2 | — 15 | — 12 |
| Reserves with Federal Reserve Banks | 1,481 | — 2 | — 1 | — 19 | — 18 |
| Cash in Vault | 206 | — 6 | — 1 | — 2 | — 4 |
| Net Demand Deposits | 11,003 | — 1 | — 1 | — 19 | — 17 |
| Time Deposits | 5,700 | — 1 | + 1 | — 22 | — 20 |
| Government Deposits | 225 | — 50 | — 81 | +676 | +261 |
| MONEY IN CIRCULATION, March 2, 1932 | 5,583 | — 1 | + 1 | + 22 | + 21 |

* Average month 1926 = 100.

The volume of money in circulation declined at the rate of about $20 million per week during the last three weeks of February. On March 2, the amount of money in circulation had declined to $5.58 billion, a decrease of 1 per cent from the corresponding date of the previous month. This decline, though relatively small, appears more significant in view of the fact that February, during the past 5-year period, has shown an average increase of 1 per cent in money in circulation. Although money rates were slightly easier in January than in February, and one of the Federal Reserve Banks reduced its rediscount rate, there was no evidence of the reversal of the credit policy of the Federal Reserve System. The increase in the holdings of government securities during February was almost negligible and the holdings of bills bought in the open market were reduced substantially as were also the member bank rediscounts. As compared with February, 1931, however, the bill and security holdings of the banks in February of this year showed a substantial increase and the holdings of member bank rediscounts showed marked increase. Member bank rediscounts on March 2 were 335 per cent greater than on the corresponding date of last year.

Member banks continued to liquidate loans during February and to restrict investments, and there was a continued decline in both time and demand deposits. Government deposits declined less than seasonally. Loans to brokers in New York City on March 2 had shown a further decline of 2 per cent from February, but were 72 per cent less than on the same date of last year.

## Automobile Production

The 2 per cent gain in January from December in automobile production in the United States was substantially less than the average January increase of 68 per cent during the past 5-year period, and the 13 per cent decline in truck production was in marked contrast with the 5-year average January increase of 28 per cent. As compared with January, 1931, passenger automobile production in January declined 28 per cent; truck production, 39 per cent. Weekly reports of passenger automobile production in February indicate a slight gain from January.

TABLE X

AUTOMOBILE PRODUCTION IN THE UNITED STATES AND CANADA, AND GENERAL MOTORS' SALES

Sources: U. S. Department of Commerce and General Motors' Corporation

| Group | Jan., 1932 | Change Jan., 1932 from Dec., 1931 | Average Change Jan., from Dec., 1927-1931 | Change Jan., 1932 from Jan., 1931 |
|---|---|---|---|---|
| PASSENGER CAR PRODUCTION: | | % | % | % |
| United States | 98,706 | + 2 | + 68 | — 28 |
| Canada | 3,112 | + 54 | +116 | — 32 |
| U. S. and Canada | 101,818 | + 3 | + 71 | — 28 |
| TRUCK PRODUCTION: | | | | |
| United States | 20,541 | — 13 | + 28 | — 39 |
| Canada | 619 | + 52 | + 52 | — 68 |
| U. S. and Canada | 21,160 | — 12 | + 30 | — 40 |
| GENERAL MOTORS' SALES: | | | | |
| To Consumers, U. S. | 47,942 | — 11 | — | — 22 |
| To Dealers, U. S. | 65,382 | — 5 | — | — 15 |
| To Dealers, U. S. and Foreign | 74,710 | — 6 | +133 | — 16 |

General Motors' sales to consumers declined 11 per cent in January from December, and were 22 per cent less than in January, 1931. Sales to dealers in the United States in January declined 5 per cent from the previous month and 15 per cent from the previous year, while sales to dealers in the United States and foreign countries combined declined 6 per cent from December and 16 per cent from January, 1931.

**Earnings of Corporations**

The net profits of 900 corporations declined 52.9 per cent in 1931 as compared with 1930. In all but 19 of the 50 groups of concerns shown in Table XI, however, net profits were made, but in 28 of the 31 groups reporting net profits in 1931 the profit earned was less than in 1930. Only 3 of the groups, including 20 merchandise chain stores, 8 shoe stores, and 20 tobacco concerns, reported an increase in net earnings from 1930. In the 28 groups reporting net profits in 1931, but a decline from 1930, the declines ranged from 4 per cent in 8 paint and varnish concerns to 99.9 per cent in 38 iron and steel concerns. Earnings declines of more than 95 per cent were experienced in 10 agricultural concerns, 38 iron and steel concerns, and 21 petroleum concerns, while declines of from 60 to 80 per cent were experienced in 13 amusement concerns, 25 electrical equipment concerns, 11 non-ferrous mining concerns, and 15 textile products concerns.

The combined net worth of these same corporations showed substantially no change in 1931 from 1930. However, in 19 of the 50 groups of concerns shown in Table XI, there was an increase in net worth in 1931 from 1930; in 31 of the groups of concerns there was a decline. The increases in net worth ranged from 0.6 of 1 per cent in 11 laundry and cleaning concerns to 19.4 per cent in 5 dairy products concerns. The decreases in net worth ranged from 0.1 of 1 per cent in 16 bakery concerns to 30.7 per cent in 12 sugar concerns.

In spite of the 53 per cent decline in net profits in 1931 from 1930 in this group of corporations as a whole, and the deficit incurred in 19 groups, the 1931 return on investment averaged 3.3 per cent for this group of corporations. The 1931 return on investment of 3.3 per cent shows a substantial decline from the rate of return in 1930, which averages 7.1 per cent for the entire group. Although the

TABLE XI
INDUSTRIAL CORPORATION PROFITS FOR THE YEAR 1931
(In Thousands of Dollars)
Source: National City Bank Bulletin

| Industry | No. of Firms | Net Profits** | | Net Worth*** | | Per Cent of Return | |
|---|---|---|---|---|---|---|---|
| | | 1931 | Per Cent Change from 1930 | Jan. 1, 1931 | Per Cent Change from Jan. 1, 1930 | 1930 | 1931 |
| Agricultural Implements | 10 | $ 125 | —99.7 | $ 479,501 | + 3.4 | 9.9 | 0 |
| Amusements | 13 | 10,184 | —69.6 | 236,526 | +10.8 | 15.7 | 4.3 |
| Apparel | 24 | D-3,734 | — | 159,580 | — 6.0 | 4.0 | — |
| Automobiles | 14 | 99,165 | —38.7 | 1,301,596 | — 2.4 | 12.1 | 7.6 |
| Auto Accessories | 30 | D-1,967 | — | 194,244 | — 7.3 | 4.1 | — |
| Bakery | 16 | 38,426 | —19.6 | 339,055 | — 0.1 | 14.1 | 11.3 |
| Building Materials | 32 | D-2,505 | — | 412,706 | + 3.3 | 4.9 | — |
| Chemicals | 22 | 75,335 | —16.1 | 827,330 | +11.7 | 12.1 | 9.1 |
| Coal Mining | 13 | 10,891 | —39.9 | 372,051 | + 2.4 | 5.0 | 2.9 |
| Confectionery and Beverages | 9 | 5,664 | —39.9 | 58,988 | + 2.8 | 16.4 | 9.6 |
| Cotton Mills | 36 | D-13,383 | — | 252,714 | — 5.8 | — | — |
| Dairy Products | 5 | 2,812 | — 6.3 | 43,153 | +19.4 | 8.3 | 6.5 |
| Drugs and Sundries | 16 | 73,182 | — 6.5 | 415,632 | +17.3 | 22.1 | 17.6 |
| Electrical Equipment | 25 | 4,292 | —67.2 | 127,075 | + 7.1 | 11.0 | 3.4 |
| Fertilizer | 6 | D-1,289 | — | 117,840 | —16.1 | 4.8 | — |
| Food Products—Misc. | 30 | 49,045 | —33.9 | 712,605 | — 0.3 | 10.4 | 6.9 |
| Heating and Plumbing | 15 | D-935 | — | 77,971 | + 1.8 | 11.5 | — |
| Household Goods | 24 | 3,580 | —33.8 | 137,066 | — 1.9 | 4.0 | 2.6 |
| Iron and Steel | 38 | 18 | —99.9 | 3,734,434 | + 3.3 | 4.8 | 0 |
| Laundry and Cleaning | 11 | 1,655 | —22.7 | 18,884 | + 0.6 | 11.4 | 8.8 |
| Lumber | 9 | D-3,168 | — | 31,608 | — 5.2 | — | — |
| Machinery and Tools | 48 | D-2,630 | — | 279,913 | — 3.1 | 5.6 | — |
| Meat Packing | 17 | D-8,846 | — | 683,559 | — 0.7 | 4.1 | — |
| Mdse.—Chain Stores | 20 | 82,838 | +12.7 | 528,868 | + 6.4 | 14.8 | 15.7 |
| Mdse.—Department Stores | 12 | D-1,925 | — | 149,208 | — 0.8 | 6.0 | — |
| Mdse.—Mail Order | 6 | D-24 | — | 378,931 | — 5.0 | 2.0 | — |
| Mdse.—Wholesale, Etc. | 11 | D-3,470 | — | 101,231 | — 3.9 | — | — |
| Mining, Copper | 8 | D-2,855 | — | 179,186 | —10.3 | 1.9 | — |
| Mining, Other Non-ferrous | 11 | 4,708 | —65.6 | 377,285 | — 6.0 | 3.4 | 1.2 |
| Office Equipment | 8 | D-1,046 | — | 106,986 | — 4.4 | 8.2 | — |
| Paint and Varnish | 8 | 4,545 | — 4.0 | 100,263 | — 4.4 | 4.5 | 4.5 |
| Paper and Products | 26 | D-640 | — | 267,958 | — 2.2 | 3.9 | — |
| Petroleum | 21 | 621 | —97.9 | 586,066 | — 4.0 | 5.0 | 0.1 |
| Petroleum Pipe Line | 8 | 2,605 | —14.5 | 41,389 | — 3.1 | 7.1 | 6.3 |
| Printing and Publishing | 20 | 23,926 | —36.1 | 219,268 | — 4.2 | 16.3 | 10.9 |
| Railway Equipment | 16 | D-3,415 | — | 348,487 | + 3.6 | 6.4 | — |
| Real Estate | 16 | 4,599 | —57.0 | 141,544 | + 6.7 | 8.1 | 3.2 |
| Restaurant Chains | 5 | 1,251 | —47.9 | 27,224 | + 1.2 | 8.9 | 4.6 |
| Rubber Tires, Etc. | 17 | 3,689* | — | 427,194 | — 8.0 | — | 0.9 |
| Shipping | 6 | 2,363 | —55.4 | 102,452 | —13.2 | 4.5 | 2.3 |
| Shoes | 8 | 10,968 | +11.8 | 193,575 | — 2.6 | 4.9 | 5.7 |
| Silk and Hosiery | 12 | D-2,222 | — | 76,681 | —10.3 | — | — |
| Stock Yards | 7 | 2,943 | — 4.6 | 35,250 | + 1.3 | 8.9 | 8.3 |
| Sugar—Cuban | 12 | D-12,027 | — | 133,921 | —30.7 | — | — |
| Sugar—Other | 12 | 6,762 | —19.2 | 146,096 | — 3.7 | 5.5 | 4.6 |
| Textile Products—Misc. | 15 | 748 | —79.8 | 156,673 | — 3.9 | 2.3 | 0.5 |
| Tobacco | 20 | 78,098 | + 2.4 | 573,237 | + 2.9 | 13.7 | 13.6 |
| Wool | 3 | D-3,352 | — | 111,264 | — 7.2 | — | — |
| Miscellaneous—Mfg. | 88 | 36,226 | —49.2 | 807,510 | + 0.7 | 8.9 | 4.5 |
| Miscellaneous—Services | 41 | 20,224 | —24.0 | 371,281 | — 5.0 | 6.8 | 5.4 |
| TOTAL | 900 | $592,105 | —52.9 | $17,703,059 | + 0.1 | 7.1 | 3.3 |

D—Deficit.
* Before certain charges.
** Net Profits are shown after depreciation, interest, taxes, and other charges and reserves, but before dividends.
*** Net Worth includes book value of outstanding preferred and common stock and surplus account at beginning of each year.

rate of return averaged only 3.3 per cent for the entire group, the rates of return in the various groups ranged from 0.1 of 1 per cent in 21 petroleum concerns to 17.6 per cent in 16 drug and sundries concerns. Returns of from 10 to 15 per cent were reported by 16 bakery concerns, 20 merchandise chain stores, 20 printing and publishing concerns, and 20 tobacco concerns. Returns of from 6 to 10 per cent were reported by 14 automobile concerns, 22 chemicals concerns, 9 confectionery and beverage concerns, 5 dairy products concerns, 30 food products concerns, 11 laundry and cleaning concerns, 8 petroleum pipe lines, and 7 stock yards.

### Construction Contracts Awarded

Construction activity in the United States increased slightly in February from January when the value of total construction was 5 per cent greater than in January. The February increase, however, was slightly below the 5-year average February increase of 7 per cent, indicating, therefore, a slight decline in construction contracts awarded, seasonally adjusted. As compared with February, 1931, the total value of contracts awarded declined 64 per cent and for the first 2 months of 1932 dropped 63 per cent from the corresponding period of 1931. The February increase from January was caused primarily by an 18 per cent increase in the value of public works and utilities contracts, although there was also a 9 per cent increase in non-residential contracts. The increase in public works and utilities contracts was in contrast with an average February decline in this type of construction during the past 5-year period. The 9 per cent increase in non-residential contracts, however, was less than the 5-year average February increase of 11 per cent. Residential building declined 11 per cent in February from January although February during the past 5-year period has averaged an increase of 16 per cent in this type of construction. In the building group, residential construction in February declined 70 per cent from February, 1931, and non-residential building, 56 per cent. Public works and utilities construction in February declined 66 per cent from February, 1931. For the first 2 months of this year, as compared with the corresponding period of last year, total building construction declined 58 per cent and public works and utilities construction, 70 per cent. In the building group, residential construction for the same period declined 61 per cent and non-residential construction, 55 per cent.

Seven of the 13 districts showed further declines in February from January in the value of construction contracts awarded, and 6 districts showed increases. The declines ranged from 1 per cent in the Pittsburgh District to 45 per cent in Metropolitan New York and Vicinity, and amounted to 2 per cent in the Middle Atlantic District, 4 per cent in the New England District, 15 per cent in the Southern Michigan District, 22 per cent in the St. Louis Territory, and 31 per cent in Up-State New York. The 2 per cent decline in the Middle Atlantic District was slightly less than the average February decline during the last 5 years, but in all other districts the decline was either greater than the average February decline or in contrast with an average February increase. In the 6 districts reporting an increase in contracts awarded, the increases ranged from 7 per cent in the Southeastern Territory to 169 per cent in the Texas District, and amounted to 21 per cent in the Kansas City Territory, 45 per cent in the New Orleans Territory, 87 per cent in the Chicago Territory, and 149 per cent in the Central Northwestern District. In all the districts to report an increase, the increase

TABLE XII
DAILY AVERAGE VALUE OF CONSTRUCTION CONTRACTS AWARDED IN 37 EASTERN STATES BY TYPES AND BY DISTRICTS
(In Hundreds of Dollars)
Source: F. W. Dodge Corporation

| Type and District | Feb., 1932 | Change Feb., 1932 from Jan., 1932 | Average Change Feb., from Jan., 1927-1931 | Change Feb., 1932 from Feb., 1931 | Total Jan.-Feb., 1932 Change from 1931 |
|---|---|---|---|---|---|
| | | % | % | % | % |
| TOTAL CONSTRUCTION.... | $35,618 | + 5 | + 7 | — 64 | — 63 |
| **By Types** | | | | | |
| Total Building..... | 24,306 | 0 | + 17 | — 63 | — 58 |
| Residential..... | 9,767 | — 11 | + 16 | — 70 | — 61 |
| Non-Residential.... | 14,539 | + 9 | + 11 | — 56 | — 55 |
| Commercial..... | 4,027 | + 11 | — 6 | — 64 | — 65 |
| Educational..... | 4,330 | +148 | + 16 | — 38 | — 58 |
| Factories..... | 1,765 | + 28 | + 24 | — 42 | — 55 |
| Miscellaneous.... | 4,417 | — 32 | + 39 | — 61 | — 43 |
| Pub. Works and Util.. | 11,312 | + 18 | — 15 | — 66 | — 70 |
| Public Works..... | 6,253 | — 20 | + 16 | — 75 | — 70 |
| Public Utilities..... | 5,059 | +177 | — 35 | — 39 | — 70 |
| **By Districts** | | | | | |
| New England..... | 2,899 | — 4 | + 17 | — 68 | — 61 |
| Metropolitan New York and Vicinity.. | 4,497 | — 45 | — 2 | — 81 | — 72 |
| Upstate New York... | 1,096 | — 31 | +106 | — 74 | — 59 |
| Middle Atlantic..... | 5,067 | — 2 | — 6 | — 59 | — 50 |
| Pittsburgh..... | 2,976 | — 1 | + 13 | — 62 | — 65 |
| Chicago Territory.... | 6,879 | + 87 | + 20 | — 35 | — 44 |
| Southern Michigan... | 1,061 | — 15 | — 3 | — 54 | — 65 |
| Central Northwest... | 1,265 | +149 | + 39 | — 40 | — 40 |
| St. Louis Territory... | 1,267 | — 22 | + 56 | — 64 | — 58 |
| Kansas City Territory | 2,266 | + 21 | + 13 | — 50 | — 65 |
| Texas..... | 2,831 | +169 | + 18 | — 55 | — 67 |
| New Orleans Ter..... | 1,286 | + 45 | 0 | — 76 | — 82 |
| Southeastern Ter..... | 2,228 | + 7 | — 1 | — 64 | — 61 |

was substantially greater than the 5-year average February increase. As compared with February, 1931, the value of construction contracts awarded declined in all the districts, the declines from last year ranging from 35 per cent in the Chicago Territory to 81 per cent in the Metropolitan New York and Vicinity, and amounting to 40 per cent in the Central Northwestern District, 50 per cent in the Kansas City Territory, 54 per cent in the Southern Michigan District, 55 per cent in the Texas District, 59 per cent in the Middle Atlantic District, 62 per cent in the Pittsburgh District, 64 per cent in the St. Louis Territory and the Southeastern Territory, 68 per cent in the New England District, 74 per cent in the Up-State New York District, and 76 per cent in the New Orleans Territory.

### Iron and Steel

The average daily rate of pig iron production in February gained 6 per cent from January, the first increase that has occurred in the daily rate of pig iron production since 1931. The gain of 4 per cent in the average daily rate of steel ingot production in February from January was less than the gain in pig iron, however. The gains in both pig iron and steel production were less than the average February increases from January during the past 5-year period, indicating less than seasonal improvement. As compared with February, 1931, the average daily rate of pig iron production declined 45 per cent and of steel production, 44 per cent. Pig iron production for the first 2 months of 1932 fell 44 per cent below the corresponding month of last year and steel ingot production, 41 per cent.

In Ohio the 7 per cent increase in the average daily rate of pig iron production was less than the average February increase of 9 per cent and was 38 per cent less than the daily rate of February, 1931. Steel operations during most of February rose above 26 per cent of capacity and the reports for the first week in March indicated that steel makers were maintaining operations at 25 per cent of capacity with difficulty. The prospects for the usual first

quarter expansion in steel operations appear to be fairly remote since the railroads, the automobile industry, and the construction industry do not seem as yet to be in the market for large-scale buying of iron and steel, although some expansion in buying by railroads and automobile industries is without doubt to be expected.

Finished steel prices in February showed little change from the previous month, but there were further slight declines in both pig iron and scrap prices. The 1 per cent decline in pig iron prices was no greater than the 5-year average February decline, but the 2 per cent decline in scrap prices was greater than the average February decline of 1 per cent. The continued weakness in the price structure, particularly the price of scrap, reflects the low demand for steel and does not furnish a stable basis for immediate expansion in production schedules.

The unfilled orders of the United States Steel Corporation continued to decline in February and the decline of 4 per cent was substantially greater than the average February decline of only 1 per cent. Unfilled orders in February, 1932, were 36 per cent less than in February of last year and the total for the first 2 months of this year was 36 per cent behind the total for the same period of last year.

TABLE XIII
IRON AND STEEL CONDITIONS
Sources: Steel
Iron Age

| Item | Feb., 1932 | Change Feb., 1932 from Jan., 1932 | Average Change Feb., from Jan., 1927-31 | Change Feb., 1932 from Feb., 1931 | Average Jan.-Feb., 1932 Change from 1931 |
|---|---|---|---|---|---|
| PRICES: | | % | % | % | % |
| Pig Iron (per ton) | $ 14.48 | — 1 | — 1 | — 8 | — 8 |
| Finished Steel (per lb.) | .02037 | 0 | 0 | — 5 | — 5 |
| Scrap-Heavy Melting Steel (pergrosston) | 8.23 | — 2 | — 1 | — 26 | — 26 |
| UNFIFLLED ORDERS, U. S. STEEL CORP.: (Tons) | 2,545,629 | — 4 | — 1 | — 36 | — 36 |
| OPERATIONS: | | | | | |
| Av. Daily Pig Iron Production (tons): Ohio | 7,904 | + 7 | + 9 | — 38 | — 34 |
| United States | 38,251 | + 6 | + 8 | — 45 | — 44 |
| Average U. S. Daily Steel Production: (tons) | 58,382 | + 4 | + 11 | — 44 | — 41 |

## The Stock Market

From the low point reached on February 9, the stock market rallied substantially in response to optimism engendered by the President's economic program, particularly the prospect of relief to banks and railroads from the Emergency Reconstruction Corporation. A last-of-the-month decline, however, destroyed practically half of the February gain, most of which had been restored by March 8. The March rally, unlike the mid-February advance, can not be attributed to any one piece of news, nor is it attributable to any specific favorable developments in the domestic business situation. It seems more nearly attributable to technical forces combined with reports of improvement in Great Britain's financial position. On March 2, the index of 421 stocks combined had increased 3.9 points from February 3, and the index of 351 industrials, 3.8 points. The index of 37 utilities during the period from February 3 to March 2 gained 7.6 points, while the index of 33 rails gained only 0.3 of 1 point.

TABLE XIV
INDEXES OF COMMON STOCK PRICES
Source: Standard Statistics Company

| Groups | Mar. 2, 1932 | Change in Points from Feb. 3, 1932 | 1932 Range | |
|---|---|---|---|---|
| | | | High | Low |
| 421 Stocks Combined | 60.0 | + 3.9 | 60.4 | 52.4 |
| 351 Industrials | 56.4 | + 3.8 | 56.7 | 49.2 |
| 33 Rails | 35.5 | + 0.3 | 38.6 | 31.0 |
| 37 Utilities | 98.8 | + 7.6 | 98.8 | 86.1 |

## Retail Trade

The report of the Federal Reserve Board on department store sales in 229 cities of the United States showed a sales decline of 16 per cent in February from February, 1931, and of 19 per cent for the first two months of 1932 as compared with the corresponding period of last year. The February decline in the volume of sales was experienced in all the Federal Reserve districts, ranging from 10 per cent in the St. Louis District to 23 per cent in the Dallas District, and amounted to 12 per cent in the Richmond District, 14 per cent in the San Francisco District, 15 per cent in the Boston, the Cleveland, and the Kansas City Districts, 16 per cent in the New York and the Minneapolis districts, 17 per cent in the Philadelphia District, 19 per cent in the Chicago District, and 20 per cent in the Atlanta District. All of the districts showed sales declines for the first two months of this year as compared with the corresponding months of last year.

The Bureau's preliminary index of dry goods sales in Ohio for February showed a decline of 10.3 per cent from January as compared with the 5-year average February decline of 9.2 per cent. The total volume of sales in February was 20.2 per cent less than in February, 1931.

Retail sales in chain stores and mail order houses in February were 1.2 per cent higher than in January, and 11.2 per cent lower than in February, 1931. The dry goods chains, department store chains, and miscellaneous chains are the only ones in which February sales exceeded those of February, 1931. The dry goods chains, the furniture chains, and the men's clothing chains showed the largest increases over January.

## Wholesale Prices

Wholesale commodity prices continued to decline throughout February, and on March 1 the all-commodity index was 1.7 points lower than on February 2. Food products and farm products continued to lead in the decline, with the textile products, fuels, and metals participating. A slight increase occurred in the building materials and the miscellaneous products index, and the chemicals index remained unchanged from February. The February declines ranged from 0.4 of 1 point in the fuels group to 3.1 points in the food products group, and amounted to 1.4 points in the textile products group, 1.6 points in the metal products, 2.1 points in the farm prod-

TABLE XV
INDICES OF U. S. WHOLESALE PRICES BY COMMODITY GROUPS—MARCH 1, 1932
Average Month 1913 Equals 100
Source: The Annalist

| Commodities | Index Feb. 2, 1932 | Index March 1, 1932 | Change in points from Feb. 2, 1932 | Change in points from Mar. 3, 1931 |
|---|---|---|---|---|
| Farm Products | 77.4 | 75.3 | — 2.1 | —24.2 |
| Food Products | 96.3 | 93.2 | — 3.1 | —21.0 |
| Textile Products | 79.7 | 78.3 | — 1.4 | —24.8 |
| Fuels | 124.8 | 124.4 | — 0.4 | —13.8 |
| Metals | 96.9 | 95.3 | — 1.6 | —11.1 |
| Building Materials | 107.9 | 108.0 | + 0.1 | —15.0 |
| Chemicals | 96.5 | 96.5 | 0 | — 3.9 |
| Miscellaneous | 82.5 | 84.1 | + 1.6 | — 4.9 |
| ALL COMMODITIES | 93.1 | 91.4 | — 1.7 | —18.5 |

ucts, and 3.1 points in the food products. As compared with March 3, 1931, the index on March 1 of this year showed declines ranging from 3.9 points in the chemicals group to 24.8 points in the textile products group, and amounting to 24.2 points in the farm products group, 21 points in the food products group, 15 points in the building material group, 13.8 points in the fuels group, and 4.9 points in the miscellaneous group. The all-commodity index on March 1 indicated a decline of 18.5 points from March 3, 1931.

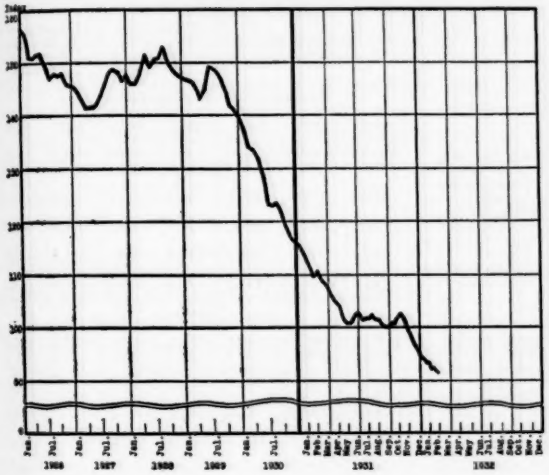
CHART III

MONTHLY AND WEEKLY INDEX OF WHOLESALE PRICES

Monthly, 1926-30; Weekly, January, 1931-March 1, 1932

Average Month 1913 Equals 100

Source: The Annalist



## Foreign Trade and Prices

The merchandise exports of the United States declined 18 per cent in January from December and were 40 per cent less than in January, 1931. Merchandise imports in January declined 11 per cent in January from December and 26 per cent from January, 1931. The relatively greater decline in exports than in imports resulted in a substantial decrease in the excess of exports, the January excess falling 54 per cent below December and 79 per cent below January, 1931. Gold continued to be exported in large quantities throughout January, while the imports declined substantially.

The merchandise exports of Great Britain were 3 per cent less in January than in December and 17 per cent less than in January, 1931. The merchandise imports of Great Britain declined 19 per cent in January from December and were 18 per cent less than in January, 1931. The relatively greater decline in imports than in exports resulted in a sizable decline in Great Britain excess of exports, which in January was 31 per cent less than in December and 18 per cent less than in January of last year.

TABLE XVI

FOREIGN TRADE OF THE UNITED STATES AND THE UNITED KINGDOM

(In Millions)

Source: U. S. Department of Commerce
*The Annalist*

| Country | Dec., 1931 | Jan.,* 1932 | Change Jan., 1932 from Dec., 1931 | Change Jan., 1932 from Jan., 1931 |
|---|---|---|---|---|
| UNITED STATES: (Dollars) | | | % | % |
| Merchandise Exports | $183.6 | $150.0 | — 18 | — 40 |
| Merchandise Imports | 152.9 | 136.0 | — 11 | — 26 |
| Excess of Exports | 30.7 | 14.0 | — 54 | — 79 |
| Gold Exports | 32.651 | 107.863 | +230 | ** |
| Gold Imports | 89.509 | 32.905 | — 63 | — 4 |
| Excess of Imports | 56.858 | —74.958† | *** | *** |
| UNITED KINGDOM: (Pound Sterling) | | | | |
| Exports | 32.1 | 31.1 | — 3 | — 17 |
| Imports | 77.0 | 62.3 | — 19 | — 18 |
| Excess of Imports | 44.9 | 31.2 | — 31 | — 18 |

† Excess of Exports.
* United States figures subject to revision.
** Increase over 1000%.
*** Excess of Imports in comparable period.

Wholesale prices continued to decline in February in the United States and Italy and showed a very slight gain in Great Britain. On March 6, 1932, as compared with February 6, 1932, the wholesale price index had increased 0.1 of 1 point in Great Britain, and declined 0.4 of 1 point in Italy, and 1.3 points in the United States. The wholesale commodity index on March 6 showed a decline from March 7, 1931, of 5.3 points in Italy, 1.8 points in Great Britain, and 13.1 points in the United States.

TABLE XVII

INTERNATIONAL WHOLESALE PRICE INDICES

1926 = 100

Source: *Journal of Commerce*

| Country | Index Feb. 6, 1932 | Index March 6, 1932 | Change in points from Feb. 6, 1932 | Change in points from Mar. 7, 1931 |
|---|---|---|---|---|
| United States: (Fisher's) | 64.2 | 62.9 | — 1.3 | —13.1 |
| Great Britain: (Crump's) | 65.1 | 65.2 | + 0.1 | — 1.8 |
| Italy: (Milan Chamber of Commerce) | 49.7 | 49.3 | — 0.4 | — 5.3 |

* Figures for Italy are one week previous to the dates indicated above.

# Foreign Trade of the United States in 1931

Total world exports in 1931 at slightly less than $20.0 billion represented a decline of 26 per cent from 1930 and of 40 per cent from 1929, the record year. The exports of the United States in 1931, in common with those of other leading nations, also declined substantially from 1930. During both 1930 and 1931, the decline in the dollar value of foreign trade has reflected the severe decline in commodity prices, so that the decline in value has been much more pronounced than the decline in the volume of goods shipped, although volume, too, has shown marked shrinkage during the past two years.

In 1931, the value of the total merchandise exports of the United States, less the re-exports, dropped 37.1 per cent, and the value of imports, 31.7 per cent from the

totals of the previous year. During the past two-year period, the value of exports has declined 53.9 per cent, and of imports, 52.5 per cent from the 1929 peak. On a quantity basis, the declines were much less pronounced. In the case of exports, the volume in 1931 was only 23.7 per cent below 1930, and 37.5 per cent below 1929, while the volume of imports in 1931 declined only 16.5 per cent from 1930, and 34.3 per cent from the volume of the peak year 1929. The wide discrepancy between the movements of volume and value of imports during the past year was due primarily to the drastic price declines in crude foodstuffs and raw materials, which constituted 45 per cent of the total imports of the United States.

Both the total value and the total volume of exports in 1931 were smaller than in any year since 1914. The value of imports in 1931 was less than in any year since 1915; the volume, than in any year since 1921.

Finished and semi-manufactured goods, which have experienced a marked growth in our export trade since 1922, having in each succeeding year through 1930 accounted for an increasing proportion of both the total value and the total volume of exports, showed a greater decline in value from 1930 than did crude materials. Thus, exports of manufactured and semi-manufactured goods declined about 39 per cent, while exports of crude materials and crude foodstuffs declined approximately 31 per cent. In spite of the relatively greater decline in the exports of manufactured goods than of crude materials in 1931, the

TABLE XVIII
CHANGES IN THE VALUE OF THE EXPORTS AND IMPORTS OF THE UNITED STATES, 1913-31

Source: U. S. Department of Commerce

| Year | Value (In Millions of Dollars) | | | Per Cent of Total Value | | Per Cent of Total Volume† | |
|---|---|---|---|---|---|---|---|
| | Total | Manufactures | Crude Materials | Manufactures | Crude Materials | Manufactures | Crude Materials |
| **Exports (Not including Re-exports)** | | | | | | | |
| 1913 | 2,441 | 1,502 | 939 | 61.5 | 38.5 | 61.3 | 38.7 |
| 1914 | 2,116 | 1,283 | 833 | 60.6 | 39.4 | 60.6 | 39.4 |
| 1915 | 3,370 | 2,341 | 1,029 | 69.5 | 30.5 | 68.9 | 31.1 |
| 1916 | 5,329 | 4,186 | 1,143 | 78.6 | 21.4 | 78.6 | 21.4 |
| 1917 | 6,118 | 4,828 | 1,290 | 78.9 | 21.1 | 80.8 | 19.2 |
| 1918 | 6,029 | 4,528 | 1,501 | 75.1 | 24.9 | 76.7 | 23.3 |
| 1919 | 7,737 | 5,448 | 2,289 | 70.4 | 29.6 | 72.7 | 27.3 |
| 1920 | 8,069 | 5,280 | 2,789 | 65.4 | 34.6 | 65.7 | 34.3 |
| 1921 | 4,371 | 2,695 | 1,676 | 61.7 | 38.3 | 57.9 | 42.1 |
| 1922 | 3,758 | 2,318 | 1,440 | 61.7 | 38.3 | 61.6 | 38.4 |
| 1923 | 4,085 | 2,625 | 1,460 | 64.3 | 35.7 | 64.1 | 35.9 |
| 1924 | 4,492 | 2,773 | 1,719 | 61.7 | 38.3 | 62.1 | 37.9 |
| 1925 | 4,819 | 3,079 | 1,740 | 63.9 | 36.1 | 65.2 | 34.8 |
| 1926 | 4,712 | 3,115 | 1,597 | 66.1 | 33.9 | 66.1 | 33.9 |
| 1927 | 4,759 | 3,145 | 1,614 | 66.1 | 33.9 | 66.5 | 33.5 |
| 1928 | 5,030 | 3,443 | 1,587 | 68.4 | 31.6 | 68.9 | 31.1 |
| 1929 | 5,157 | 3,745 | 1,412 | 72.6 | 27.4 | 72.9 | 27.1 |
| 1930 | 3,782 | 2,774 | 1,008 | 73.3 | 26.7 | 72.5 | 27.5 |
| 1931 | 2,378 | 1,685* | 693* | 70.9 | 29.1 | 67.9 | 32.1 |
| **Imports** | | | | | | | |
| 1913 | 1,778 | 952 | 826 | 53.5 | 46.5 | 53.3 | 46.7 |
| 1914 | 1,705 | 939 | 766 | 55.1 | 44.9 | 55.0 | 45.0 |
| 1915 | 1,765 | 826 | 939 | 46.8 | 53.2 | 46.2 | 53.8 |
| 1916 | 2,372 | 1,102 | 1,270 | 46.5 | 53.5 | 46.5 | 53.5 |
| 1917 | 3,135 | 1,481 | 1,654 | 47.2 | 52.8 | 50.1 | 49.9 |
| 1918 | 3,018 | 1,452 | 1,566 | 48.1 | 51.9 | 50.2 | 49.8 |
| 1919 | 3,878 | 1,658 | 2,220 | 42.8 | 57.2 | 45.5 | 54.5 |
| 1920 | 5,247 | 2,917 | 2,330 | 55.6 | 44.4 | 55.9 | 44.1 |
| 1921 | 2,489 | 1,332 | 1,157 | 53.5 | 46.5 | 49.5 | 50.5 |
| 1922 | 3,094 | 1,603 | 1,491 | 51.8 | 48.2 | 51.7 | 48.3 |
| 1923 | 3,771 | 2,018 | 1,753 | 53.5 | 46.5 | 53.3 | 46.7 |
| 1924 | 3,598 | 1,927 | 1,671 | 53.6 | 46.4 | 53.9 | 46.1 |
| 1925 | 4,217 | 1,984 | 2,233 | 47.0 | 53.0 | 48.5 | 51.5 |
| 1926 | 4,431 | 2,098 | 2,333 | 47.3 | 52.7 | 47.3 | 52.7 |
| 1927 | 4,184 | 2,078 | 2,106 | 49.7 | 50.3 | 50.2 | 49.8 |
| 1928 | 4,091 | 2,075 | 2,016 | 50.7 | 49.3 | 51.3 | 48.7 |
| 1929 | 4,399 | 2,302 | 2,097 | 52.3 | 47.7 | 52.7 | 47.3 |
| 1930 | 3,061 | 1,658 | 1,403 | 54.2 | 45.8 | 53.1 | 46.9 |
| 1931 | 2,090 | 1,144* | 946* | 54.7 | 45.3 | 51.3 | 48.7 |

* December, 1931, estimated.

† In determining changes in actual volume when all figures are reported in values, the values for the two groups were deflated in proportion to the price declines, giving a rough estimate of the volume distribution. United States Bureau of Labor wholesale price indexes on the 1926 base were used. Crude materials value was adjusted by the raw material price index, and manufactures by the finished products price index.

exports of manufactured and semi-manufactured goods in the past year accounted for 70.9 per cent of the total value of exports, and for almost 68 per cent of the total volume. Although exports of manufactured and semi-manufactured goods still contributed the major share of the value of total exports in 1931, it is very significant in connection with the probable future course of exports that the value of manufactured products dropped from 73.3 per cent of the total value in 1930 to 70.9 per cent in 1931, while exports of raw materials increased from 26.7 per cent of the total to 29.1 per cent, although as mentioned before price

TABLE XIX
CHANGES IN THE VALUE AND THE VOLUME OF THE EXPORTS AND IMPORTS OF THE UNITED STATES BY MAJOR CLASSES OF MERCHANDISE, 1929-1931

| Item | Dollar Value (In Millions) | | | Percentage Decline in Dollar Value 1931 from | | Percentage Decline in Volume 1931 from[1] | |
|---|---|---|---|---|---|---|---|
| | Exports (Not Including Re-exports) | | | | | | |
| | 1931 | 1930 | 1929 | 1930 | 1929 | 1930 | 1929 |
| Total Exports... | 2,378.0 | 3,781.8 | 5,157.2 | —37.1 | —53.9 | —23.7 | —37.5 |
| Crude Materials | 566.7 | 829.1 | 1,142.4 | —31.6 | —50.4 | —12.0 | —26.3 |
| Crude Foodstuffs..... | 126.6 | 178.5 | 269.6 | —29.3 | —53.2 | —13.6 | —36.8 |
| Manufactured Foodstuffs... | 247.8 | 362.6 | 484.3 | —31.7 | —48.8 | —16.5 | —30.9 |
| Semi-Manufactured..... | 317.7 | 512.8 | 729.1 | —38.0 | —56.4 | —25.5 | —38.6 |
| Finished Manufactured..... | 1,119.6 | 1,898.8 | 2,531.8 | —41.0 | —55.8 | —30.8 | —43.6 |
| | Imports | | | | | | |
| Total Imports... | 2,089.9 | 3,060.9 | 4,399.4 | —31.7 | —52.5 | —16.5 | —34.3 |
| Crude Materials | 642.4 | 1,002.2 | 1,558.6 | —35.9 | —58.8 | —17.4 | —38.7 |
| Crude Foodstuffs..... | 304.2 | 400.5 | 538.6 | —24.1 | —43.5 | — 7.2 | —23.7 |
| Manufactured Foodstuffs... | 223.0 | 293.0 | 423.6 | —23.9 | —47.4 | — 7.0 | —23.9 |
| Semi-Manufactured..... | 371.9 | 608.2 | 883.1 | —38.9 | —57.9 | —26.4 | —40.7 |
| Finished Manufactured..... | 548.4 | 757.0 | 995.5 | —27.6 | —44.9 | —15.1 | —29.7 |

[1] In determining changes in actual volume when all figures are reported in values, the values for the various groups were deflated in proportion to the price declines giving a rough estimate of volume decline. United States Bureau of Labor wholesale price indexes on the 1926 base were used. Crude materials value was adjusted by the raw-material price index, crude foodstuffs and manufactured foodstuffs by the food price index, semi-manufactures by the semi-manufactured articles index, and finished manufactures by the finished products price index.

declines during 1931 have been more drastic in the case of crude materials than in the case of finished products.

Until 1931, exports of crude materials and of crude foodstuffs have represented a decreasing proportion of both the total value and the total volume of exports since 1922, representing in 1930 only 26.7 per cent of the total value of exports and about 28 per cent of the total volume. In 1931, the value of the exports of crude materials constituted a larger proportion of the value of total exports than during either of the two previous years, with a rise in volume from 27.5 per cent in 1930 to 32.1 per cent in 1931.

Of the United States imports in 1931, the largest declines occurred also in manufactured and semi-manufactured commodities, imports of finished manufactures having declined 27.6 per cent from 1930, and 44.9 per cent from 1929, and of semi-manufactures, 38.9 per cent from 1930, and 57.9 per cent from 1929. Manufactured and semi-manufactured goods have constituted slightly more than one-half of the total value of the imports of the United States since 1928, and crude materials and foodstuffs slightly less than one-half. For imports, the finished manufactured group constituted a slightly larger share of the total value of imports in 1931 than in either 1930 or other recent years, while the proportion of crude materials and semi-manufactures declined.

The balance of trade in 1931 declined to the lowest figure for any year since the World War, amounting to only $334.0 million. The previous low balance for the post-war period was a total of $375.0 million in 1923. For most of the post-war period, the finished manufactured group has been largely responsible for the maintenance of an active trade balance. The favorable balance in this group rose as high as $2.3 billion in 1916, 1917, and 1920. Following the sharp drop to $650.0 million in 1921 and 1922, the balance in this group has steadily increased since that date, reaching $1.5 billion in 1929. The decline in the favorable balance in this major group since 1929 has been drastic, reducing the balance in 1930 to $1.1 billion, and in 1931, to $587.0 million. It is likely from present indications that exports of finished manufactures will continue to decline in 1932 so that an excess of aggregate imports is not unlikely. That is, even though this group may avoid an actual debit balance, the balance is likely to be insufficient to protect the aggregate.

Europe continued to be the chief market for American goods in 1931, and although the value of American goods bought by Europe was 35 per cent less in 1931 than in 1930, the 1931 decline in that market was slightly less than in the non-European countries. Great Britain was the largest purchaser of American goods, the export to that country amounting to $455.6 million. Canada, Germany, and France in the order named were the next largest consumers of American goods.

Due to the drastic decline in Great Britain's exports, Germany ranked as the second largest exporting nation in 1931, but with a smaller volume of exports in 1931 than in 1930.

*Viva Boothe*

# Book Reviews

*Statistics*, William Vernon Lovitt and Henry F. Holtzclaw, Prentice-Hall, Inc., 1929, 304 pp., $4.00.

In the main, this text differs little from the flood of books on statistics which has swept over us during the last decade. The work may be divided roughly into four parts: (a) the first 178 pages devoted to the analysis of ungrouped data and frequency distributions; (b) the next 51 pages to time series; then, (c) some 51 pages to the theory of probability and curve fitting; and (d) an appendix, including problems and tables of squares, cubes, and square roots, and a short bibliography.

The authors write that "for the most part, the only mathematical knowledge required is some facility in numerical computations." Nevertheless, a glance at chapters headed, "Some Characteristic Curves," and "Curve Fitting," would cause most persons with a knowledge of elementary mathematics to gasp. It is readily admitted, however, that a fairly thorough knowledge of two years of high school mathematics would pull a reader over most of the rough spots.

The discussion of tabular representation is very sketchy and many of the tables are poorly arranged. Circle diagrams are included in "bar charts and maps." Again, one would hardly obtain an "ideal bell-shaped curve in plotting the theoretical frequencies of the number of heads occurring in 128 throws with 6 pennies," (p. 62) since 1.473 heads never would occur regardless of the number of times the pennies were thrown. In other words, the series treated is discrete, not continuous. Entirely too much material is included in correlation for the space allotted to it.

The inclusion of Z-charts, Lorenz curves and the equation to Pareto's law is an admirable feature of the text. The first two are very useful in analysing economic and business data, while the last is of interest in these days of business depression. The treatment of "averages" and "Dispersion and Skewness" is excellent in spite of rather numerous "theorems" and formulas which may tend to discourage the novice.

—L. E. Smart.

# Convention Calendar

| | | |
|---|---|---|
| April 8- 9 | Cleveland, Ohio | Ohio Conference of Statisticians, L. H. Grinstead, Secretary, Bureau of Business Research, Ohio State University, Columbus, Ohio. |
| April 20-21 | New York City | National Metal Trades Association, J. E. Nyhan, Secretary, 1021 Peoples Gas Bldg., Chicago, Illinois. |
| April 26-27 | Columbus, Ohio | Ohio Wholesale Grocers' Association Co., Selden I. Trumbull, Secretary, Spring & High Streets, Columbus, Ohio. |

# Program
# of the Ohio Group of Statisticians

cooperating with

THE CLEVELAND STATISTICAL CLUB

and the

SOCIAL SCIENCE SECTION OF THE OHIO COLLEGES

APRIL 8 AND 9, 1932

HOTEL CLEVELAND, CLEVELAND, OHIO

## FRIDAY, APRIL 8, 1932, HOTEL CLEVELAND

9:30-12:00 A.M

*Chairman*, ROYAL DAVIS

*Paper:* "The Railroad Outlook," by Ralph Dewey, Ohio State University.

*Paper:* "Foreign Debts and Economic Recovery," by D. C. Elliott, Midland National Bank, Cleveland, Ohio.

*Paper:* "Prospects for Recovery in the Building Industdustry," by Spurgeon Bell, Bureau of Business Research, Ohio State University.

*Discussion:* John W. Love, Cleveland Press
J. B. Anderson, Assistant Federal Reserve Agent, Cleveland, Ohio.
Stephen M. Du Brul, General Motors Corporation, Detroit, Michigan.
H. G. Hard, Ohio Bell Telephone Co., Cleveland, Ohio.

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LUNCHEON MEETING—12:30 P. M.

*Chairman*, ROYAL DAVIS

*Speaker:* Andrew T. Court, President of Court and Pryor, Inc., Detroit, Michigan.

*Subject:* "Hoarding in Its Relation to the Business Situation."

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*Chairman*, PROF. G. A. HEDGER,

Department of History, University of Cincinnati

*1:00 P.M.*—"The Need for Constitutional Revision in Ohio," by Dr. Howard White, Miami University, Oxford, Ohio, and Mr. Emmett Bennett, University of Cincinnati.

*2:30 P.M.*—"Unemployment Insurance," by Dr. H. Gordon Hayes, Ohio State University and Mr. George B. Chandler, Ohio Chamber of Commerce, Columbus.
Discussion.

*4:30 P.M.*—Business Meeting.
Reports of officers and committees.
Election of officers.

DINNER MEETING

6:30 P. M.—Chamber of Commerce

*Chairman*, B. B. SMITH

*Paper:* "Some First Principles of Booms and Depressions," by Prof. Irving Fisher, President of The American Statistical Association.

*Paper:* "The Behavior of the Automobile Industry in Depression," by John Scovill, Statistician, Chrysler Corporation, Detroit, Michigan.

*Paper:* "New Source Material for Cycle Research," by Colonel Leonard Ayres, Cleveland Trust Company, Cleveland, Ohio.

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## SATURDAY, APRIL 9, 1932, HOTEL CLEVELAND

ROUND TABLE CONFERENCE ON ECONOMIC PLANNING

9:30-12:00 A.M

*Chairman*, ROYAL DAVIS

*Paper:* "Underselling and Its Relation to Economic Planning," by S. P. Bush, Chairman of Governor's Stabilization Committee, Columbus.

*Paper:* "Economic Research and the Problem of Stabilization," by Dr. Ralph J. Watkins, Director of the Bureau of Business Research, University of Pittsburgh.

*Paper:* "Economic Planning," by Dr. W. L. Davis, University of Akron.

*Discussion:* Willis Wissler, Bureau of Business Research, Ohio State University.
Ben W. Lewis, Oberlin College, Oberlin, Ohio.
And others.

Reservations for Luncheon and Dinner Meetings may be sent to:

MR. E. A. STEPHENS,
Ohio Bell Telephone Company
Cleveland, Ohio

# PUBLICATIONS OF THE BUREAU OF BUSINESS RESEARCH

## Wholesale Grocery Studies

R- 1 Salesforce Compensation and Expense of Ohio Wholesale Grocers, Year 1924 (free in Ohio) ..... $0.50
X- 3 Operating Results of Ohio Wholesale Grocers, Year 1923 (free in Ohio) ..... .50
X- 4 Operating Results of Ohio Wholesale Grocers, Year 1924 (free in Ohio) (out of print) ..... .50
X- 8 Operating Results of Ohio Wholesale Grocers, Year 1925 (free in Ohio) (out of print) ..... .50
X- 9 Delivery Costs in the Wholesale Grocery Trade (free in Ohio) ..... .50
X-12 Operating Results of Ohio Wholesale Grocers, Year 1926 (free in Ohio) ..... .50
X-21 Operating Results of Ohio Wholesale Grocers, Year 1927 (free in Ohio) ..... .50
X-25 Operating Results of Ohio Wholesale Grocers, Year 1928 (free in Ohio) ..... .50
X-30 Operating Results of Ohio Wholesale Grocers, Year 1929 (free in Ohio) ..... .50
X-34 Operating Results of Ohio Wholesale Grocers, Year 1930 (free in Ohio) ..... .50

## Department Store Studies

X- 1 Survey of Ohio Retail Dry Goods Advertising, Year 1924 ..... free
X- 6 Sales, Outstandings, and Advertising of Ohio Retails Dry Goods Dealers, Year 1925 (free in Ohio) ..... .50
X-13 Merchandise Returns in Department Stores
Section I—Reasons for Returns (price to residents of Ohio, $1.00) Regular price ..... 1.50
Section II—Extent of Returns (price to residents of Ohio, $1.00) Regular price ..... 1.50
Sections I and II (price to residents of Ohio, $2.00) Regular price ..... 3.00
X-18 Administration of Personnel Functions in Ohio Department Stores ..... .50
X-27 The Cost of Handling Merchandise Returns (Complimentary with purchase of Merchandise Returns in Department Stores) ..... .25

## Men's Clothing Store Studies

R- 5 The Ten-Payment-Plan of Retailing Men's Clothing ..... .50
X- 2 Survey of Ohio Retail Clothing Advertising, Year 1924 (out of print) ..... free
X-10 Influence of Ten-Payment-Plan on Prestige of Stores (complimentary with purchase of Ten-Payment-Plan) ..... .50
X-22 The Application of Piece Control to the Merchandising of Men's Clothing (free in Ohio) ..... .50

## Furniture Store Studies

R- 2 A Uniform System of Accounts for Retail Furniture Dealers (price to residents of Ohio, $1.00) Regular price ..... 2.50
R- 4 Salesforce Compensation and Expense in Retail Furniture Stores of the Ohio Valley, Year 1924 (free in Ohio) ..... .50
R-14 Instalment Credit in the Retail Furniture Trade ..... .50
R-17 Operating Results of Thirty Instalment Retail Furniture Stores—1928 ..... .50
X-14 Merchandise Repossessions in the Instalment Furniture Trade (out of print) ..... .50

## General Marketing Studies

R- 3 Housewives' Buying Habits in Columbus, Ohio, Year 1924 (free in Ohio) ..... .50
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R-10 The Nature of Unfair Methods of Competition in the Retail Trade ..... .50
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X- 5 Content of Advertising Courses in Colleges of Commerce—Agency Suggestions ..... .50
X- 7 Training for Retail Advertising (out of print) ..... .50
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X-24 Credit Losses in Foreign Trade (free in Ohio) ..... .50

## Newspaper Studies

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X-11 Location, Circulation, and Rates of Ohio Daily Newspapers ..... .50

## Building and Loan Association Studies

R- 8 Money Lending Practices of Building and Loan Associations in Ohio (out of print) ..... .50
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## Studies of Industries

R- 6 The Construction Industry in Ohio (price to residents of Ohio, 50 cents) Regular price ..... 1.00
X-23 Industrial and Commercial Ohio, Volumes I and II. The volumes are not sold separately. Price of the set (to residents of Ohio, $5.00) ..... 7.50
X-31 Industrial and Commercial Ohio Yearbook—1930 (Price to residents of Ohio, $2.00) Regular price ..... 3.00

## Industrial Management Studies

R- 7 Ohio Employment Studies ..... .50
R-15 Study of Content and Arrangement of Employee Magazines—"Plant Organs" ..... .50
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X-20 Labor Management (price to resident of Ohio, $2.00) Regular price ..... 3.00
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## Hatchery Studies

R-13 Operating Expenses in Ohio Accredited Hatcheries—1927 ..... .25
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## Miscellaneous Studies

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X-29 Insurance Trade Press Advertising (free in Ohio) ..... .50
X-32 Attitude of Employers Towards the Ohio Compulsory Education and Child Labor Law (free in Ohio) ..... .50

# PROCEEDINGS OF OHIO CONFERENCE OF STATISTICIANS

## April, 1927

C- 1 Methods of Checking the Accuracy of Data, by H. A. Toops ..... .50
C- 2 Mass Selling for Mass Production Evolving a Consolidated National Industrial Budget, by Charles H. Chase ..... .50

## April, 1929

C- 3 The Trend of Coal Demand, by F. G. Tyron ..... free

## April, 1930

C- 4 Proceedings of Ohio Conference of Statisticians, 1930 ..... .50

# MANAGEMENT WEEK PROCEEDINGS

## Proceedings of Management Week—1925 (all sections—clothbinding) ..... 2.00

S- 1 Office Management Section ..... .50
S- 2 Production Section ..... .50
S- 3 Marketing Section ..... .50
S- 4 Accounting Section ..... .50

## Proceedings of Management Week—1926

S- 5 Business Statistics Section ..... .50
S- 6 Industrial Management Section ..... .50
S- 7 Elimination of Waste Material ..... .50

## Proceedings of Management Week—1927

S- 8 Cost Reports for Plant Managers, by Charles Reitell ..... .50
S- 9 How Management Can Profit by Analyzing and Pooling Labor Turnover Experience, by Lloyd R. Miller ..... .50
S-10 What Is Management Engineering? by Hugo Deimer ..... .50
S-11 Management of Engineering Developments and Research, by L. A. Hawkins ..... .50
S-12 Psychological Factors in the Development of Genius, by H. A. Toops (out of print) ..... .50
S-13 Credit, Prices, and Prosperity, by Edith M. Miller (out of print) ..... .50
S-14 Material Control and Storeskeeping for a Small Plant, by L. C. Haaser (out of print) ..... .50